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City of ALHAMBRA GENERAL PLAN

HOUSING ELEMENT

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Alhambra General Plan

Housing Element

The Housing Element is concerned with the supply of housing in Alhambra that is both suitable and affordable for all sectors of the City's population. The element examines existing conditions and, through analysis, identifies housing needs and presents programs to meet those needs. The Housing Element is linked closely with the Land Use Element to ensure that, through coordination of policies and designated land uses, the goals of the Housing Element are met.

1.0 ISSUE IDENTIFICATION

The Housing Element is organized into five issue areas identified by State requirements and local needs. Housing issues and concerns were identified in a series of public meetings conducted as part of a comprehensive General Plan revision.

- 1.1 Accessibility - Adequate and decent housing units must be accessible to all Alhambra residents regardless of handicap, race, economic status, age, marital status or size of household.
- 1.2 Affordability - Housing must be made available that is affordable to very low, low- and moderate-income households.
- 1.3 Preservation - Historically significant structures and stable single-family residential neighborhoods must be preserved.
- 1.4 Maintenance and Rehabilitation - The existing housing stock must be maintained and rehabilitated where needed and in accordance with adopted land use policy.
- 1.5 New Construction - New housing units in the City must be constructed to meet the housing needs of all sectors of Alhambra's present and future population.

2.0 FINDINGS

A comprehensive data base was developed for the General Plan Update Program to assess existing City conditions and identify current population, land use and development trends. This data base, included as Appendix A, The General Plan Background Report, provided a basis for analysis of the City's immediate and projected housing needs. In addition, Section 5.0 of the Element, beginning on Page 11, provides further background information and analysis in response to the specific Housing Element content requirements of State law. The findings of these analyses are presented in this section for summary purposes. Table HE-1, attached, summarizes the location of information required by State law.

TABLE HE-1: GUIDE TO DATA AND ANALYSIS REQUIRED BY STATE LAW

REQUIREMENT	GENERAL PLAN		BACKGROUND REPORT
	LAND USE	HOUSING	
Section 65583			
a. Needs Assessment and Inventory of Constraints and Resources			
1. Population and employment trends		X	Section II
2. Household and housing stock characteristics		X	Section II
3. Land inventory and analysis of infrastructure	X		Section III & VII
4. Governmental constraints	X		Section VI & VII
5. Nongovernmental constraints		X	Section II
6. Special housing needs		X	Section II
7. Energy conservation	X		Section II & V
b. Statement of Goals, Quantified Objectives and Policies		X	
c. Five-Year Housing Program			
1. Adequate sites		X	
2. Assist development of affordable housing		X	
3. Remove governmental constraints		X	
4. Conserve existing stock		X	
5. Promote equal access to housing		X	
d. Public participation		X	
Section 65584			
Regional Housing Needs Assessment prepared by SCAG		X	

2.1 Population Characteristics and Trends

- * There has been an increase in the number of households with small children and a proportionate increase in the average number of persons per household.
- * Continuing a trend first experienced in the 1970's, there has been a significant decrease in the white population and an increase in all minority groups, particularly Asians and Pacific Islanders.
- * The City's population increased 4.0% from 1970 to 1980 and 14.0% from 1980 to 1988. The population growth from 1989 to 1994 is expected to continue, but at a lower rate of about 1.5% per year.

2.2 Household Characteristics and Trends

- * The City can expect a continuation of the trend towards a higher proportion of single person households. The City remains, however, predominantly a family-oriented community.
- * The City is expected to continue to experience an increase in minority households with small children.
- * In 1980, 6.4 percent of Alhambra's households reported having at least one handicapped person.
- * Since 1970, the percentage of overcrowded households has doubled. These households are located primarily in areas where multi-family units are concentrated and household incomes are depressed.
- * Over forty percent of the households in Alhambra have minority heads.
- * The percentage of minority households, particularly Asian and Hispanic has increased significantly since 1980.
- * The percentage of female-headed households has remained essentially the same but is still significant.
- * In 1980, Alhambra's median income was 7 percent below the County median; was comparable to the surrounding cities of Pasadena, San Gabriel and Los Angeles; was significantly lower than that of South Pasadena and Monterey Park; and significantly higher than that of Rosemead.
- * Over 40% of Alhambra's households are considered low and very low income households. This is a slight increase from 1970.
- * Minority households, represent a disproportionate share of the total households below the poverty level.

- * Forty percent of renter households are paying more than the standard for affordability for housing.
- * About 15% of owner-occupied households are paying more than the standard for affordability for housing.

2.3 Employment

- * Over 60% of Alhambra's employed labor force work is in managerial/professional and technical, sales and administrative support careers.
- * In 1980, Alhambra's 4.2% unemployment rate was below the 6.0% County rate.
- * Over one-third of Alhambra's labor force works in the City of Los Angeles.
- * The SCAG Growth Management Plan projects an increase of 131,000 (27%) jobs in the Alhambra/Pasadena/Glendale area by 2010. The jobs/housing balance in the area is expected to increase from its current level of 1.10 to 1.15 by 2010. The Alhambra region is considered to be "housing-rich" by SCAG and will continue to be so in the near future.

2.4 Housing Stock

- * A majority of the land area in the City is designated by the existing General Plan and Zoning Ordinance for residential uses. In addition, residential uses are also permitted in commercial zones when developed with mixed-use projects. The City's multiple-family residential and commercial zones would be well-suited for the development of affordable housing and transitional housing.
- * There has been a significant increase in the number and percentage of multi-family units. This trend is expected to continue, but at a slower pace due to a decrease in the amount of land zoned but not already developed for higher densities.
- * Over half of the households in the City are renters.
- * Despite the increase in the number and percentage of multi-family units, over 45% of the housing stock was built before 1950.
- * Very low income households cannot afford the rents being charged in the City.
- * There is a lack of available rental units with three or more bedrooms.

2.5 Constraints on Housing Production

2.5.1 Land Inventory (Please see the Land Use Element, p. L-1 of this plan and Sections III and VII of the Background Report for further information on land available for residential development.)

- * There are approximately 36 acres of vacant land zoned for residential use that are expected to yield up to 500 dwelling units by 2004.
- * There are no vacant parcels over one acre in size in the City appropriate for residential development.
- * The majority of new residential development is expected to occur through recycling on parcels which are already developed. The City has adequate land zoned and available for higher density multiple family uses which are currently not built to the potential allowed by existing zoning regulations. It is estimated that such lots total approximately 250 acres and could yield up to 5,900 dwelling units by 2004. The proposed Valley Boulevard Specific Plan is expected to designate an undetermined amount of property now used for commercial purposes for multiple-family residential uses.

2.5.2 Physical Constraints

- * Noise from the I-10 Freeway and the Southern Pacific Railroad constrains the development of new housing in these high noise corridors because of the added cost of noise attenuation techniques in housing design and materials.

2.5.3 Market Constraints

- * Development of multi-family housing is generally less expensive to construct than single-family housing.
- * Financing costs have greatly increased residential development costs in recent years.
- * Housing costs in Los Angeles County are among the highest in the nation.
- * Manufactured housing is, in most cases, significantly less expensive than conventional construction.

2.5.4 Governmental Constraints

- * Existing City land use controls requiring discretionary review of all applications adds to the

processing time of applications and may be slowing the production of new housing units. However, virtually all development is infill and intensification of use, which requires careful review to minimize impacts on surrounding properties and City streets, water and sewer systems.

- * Existing City parking requirements for residential development are dependent on the size of the units. Larger units require a greater number of off-street parking spaces.
- * The City's Fee Schedule for processing development applications is based on actual costs of the services provided, and in most cases, representative of fees charged for similar services in other San Gabriel Valley cities.
- * The Board of Education has adopted a School Impact Fee on all new development, based on floor area, which does not appear to be constraining the pace of new construction applications.

2.5.5 Infrastructure Constraints

- * Existing sewer lines and the existing water service delivery system are expected to be able to serve planned development through 2004 and, therefore, do not present a constraint to housing.
- * Existing school overcrowding conditions present a secondary constraint on housing by reducing the potential market for new housing units in the City.

2.6 Summary of Housing Need - 1989-1994

- * Approximately 31% of all households (over 7,000 Households) in the City are paying more than the standard for affordability for housing (30% of income). These households may require assistance.
- * A number of households in the City fall into specific categories with special housing needs including homeless, elderly head, handicapped member, large family, overcrowded, minority head, female head, and income below the poverty level. Many households have more than one special need but at least 2,235 households have one or more. Consult Tables 11 and 12 and Section 6 of this Element for more detailed information.
- * According to SCAG population estimates, the City is expected to grow by approximately 1,614 households by 1994. SCAG provides a "Fair Share" breakdown of these expected households

into low and moderate income brackets. Lower income households often require some form of assistance in order to secure adequate, affordable housing. 1,008 of the 1,614 expected households fall within the very low, low, and moderate income categories.

- * Population growth projections indicate a need for an average of 323 new units per year through 1994 to meet the needs of all economic segments of the community.
- * Of the 1,614 new households expected to be formed during the 5 year planning period, over 60% are expected to consist of very low, low, and moderate income households.
- * Approximately 1,908 of the 29,195 dwelling units in the City (1988) are considered substandard. Approximately 559 units need to be replaced. The remaining 1,349 are in need of rehabilitation.

3.0 GOALS STATEMENT

The goals of the Housing Element are:

- 3.1 To provide decent housing in a satisfying environment that is accessible to all residents regardless of handicap, race, economic status, age, natural status or size of household.
- 3.2 To provide a range of housing by location, type and price to meet the growth needs of the City.
- 3.3 To preserve, where feasible, all historically significant structures and stable single-family residential neighborhoods in the City.
- 3.4 To preserve, maintain, and rehabilitate and/or replace existing, affordable housing in accordance with adopted land use policy.
- 3.5 To promote owner occupancy of housing.

4.0 HOUSING PROGRAM

The Housing Program section consists of the policies, objectives and actions the City shall undertake in order to achieve the goals of the Element. The section is organized around the issue areas identified in Section 1.0 and contains quantified objectives based on housing need analysis in the areas of conservation, rehabilitation and construction of housing. Table 1 presents a summary of the City's achievements to date and goals for the next five years. New construction objectives under the various density bonus programs reference the total number of affordable units, not the total number of units to be developed in projects benefiting from the bonuses.

4.0.1 ANALYSIS OF PRIOR GOALS, OBJECTIVES AND ACCOMPLISHMENTS

The housing programs set forth in this Element are generally similar to those included in the 1984 revision. Additional programs have been proposed to address policy areas that did not achieve significant levels of accomplishment over the latest 5-year period. Significant additions include modified density bonus programs to encourage provision of housing for those of very low income and to facilitate subsidized affordable housing. A second change reflects a growing realization of the need for higher quality larger scale residential projects. To this end, flexible development standards have been adopted to apply to larger residential sites. The third major change involves the possible expansion of the successful residential rehabilitation program to all residents, regardless of location. Subsidy levels would vary depending on income level.

The achievement levels of the City's various housing goals of 1984 were dependent largely on factors that were beyond the City's control. Economic conditions, levels of federal funding and competitive application processes have prevented or delayed many of the 1984 goals from being realized.

TABLE 1

SUMMARY OF PROGRAM ACCOMPLISHMENTS AND GOALS

4.1 Accessibility

PROGRAM: Neighborhood Public Improvement Program
(Handicapped Curb Cuts)
RESPONSIBLE AGENCY: Community Development Department
FUNDING: CDBG
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Continue
COMMENTS: Assuming federal funding continues to be available

PROGRAM: Anti-Displacement Policy
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Continue
COMMENTS:

PROGRAM: Relocation Requirements on Private
Developments
RESPONSIBLE AGENCY: Community Development Department,
Redevelopment Agency
FUNDING: General Fund, Redevelopment tax increment,
private developers
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Continue
COMMENTS:

PROGRAM: General Plan
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Continue
COMMENTS:

PROGRAM: Uniform Building Code Accessibility Standards
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Continue
COMMENTS:

4.2 Affordability

PROGRAM: Density Bonuses for Very Low, Low and Moderate Income Households
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): 75 low and moderate income units
ACHIEVED 1984 TO DATE: 23 low and moderate income units
GOAL (1989-1994): 120 very low, low and moderate income units
COMMENTS:

PROGRAM: Section 8 Rental Assistance - Existing Units
RESPONSIBLE AGENCY: Los Angeles County Housing Authority
FUNDING: HUD
GOAL (1984-1990): 250 units
ACHIEVED 1984 TO DATE: 400 units
GOAL (1989-1994): 85 units
COMMENTS:

PROGRAM: Section 8 Rental Assistance - New Units
RESPONSIBLE AGENCY: Los Angeles County Housing Authority
FUNDING: HUD
GOAL (1984-1990): 20 units
ACHIEVED 1984 TO DATE: 15 units
GOAL (1989-1994): 20 units
COMMENTS:

PROGRAM: New Construction Housing Assistance for seniors through Section 202 and Section 8 programs
RESPONSIBLE AGENCY: Community Development Department
FUNDING: HUD
GOAL (1984-1990): 100 senior units
ACHIEVED 1984 TO DATE: 0 senior units
GOAL (1989-1994): 75 senior units
COMMENTS: Must compete for nationwide HUD funding

PROGRAM: Affordable Housing Incentives Program
 RESPONSIBLE AGENCY: Community Development Department,
 Redevelopment Agency
 FUNDING: General Fund, Redevelopment housing fund
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: n/a
 GOAL (1989-1994): 50 affordable units
 COMMENTS:

PROGRAM: Manufactured Housing Policy
 RESPONSIBLE AGENCY: Community Development Department
 FUNDING: General Fund
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: 6 units
 GOAL (1989-1994): Ongoing
 COMMENTS:

PROGRAM: Planned Unit Development Standards
 RESPONSIBLE AGENCY: Community Development Department
 FUNDING: General Fund
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: n/a
 GOAL (1989-1994): Ongoing
 COMMENTS:

4.3 Preservation

PROGRAM: Tax exempt Rehabilitation Funding
 RESPONSIBLE AGENCY: Community Development Department,
 Redevelopment Agency
 FUNDING: General Fund, Redevelopment tax increment
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: n/a
 GOAL (1989-1994): Continue
 COMMENTS:

PROGRAM: Survey of Historic Resources
 RESPONSIBLE AGENCY: Community Development Department
 FUNDING: General Fund, Redevelopment tax increment,
 State of California
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: 637 properties surveyed
 GOAL (1989-1994): n/a
 COMMENTS: Continue

PROGRAM: Historic Preservation Ordinance
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Ongoing
COMMENTS:

PROGRAM: Land Use Element Update: Density reductions
to preserve single family neighborhoods
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: 300 properties
GOAL (1989-1994): None
COMMENTS: Program completed

4.4 Maintenance & Rehabilitation

PROGRAM: Property Maintenance Enforcement
RESPONSIBLE AGENCY: Code Enforcement
FUNDING: General Fund, CDBG
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Ongoing
COMMENTS:

PROGRAM: Housing Code Enforcement
RESPONSIBLE AGENCY: Code Enforcement
FUNDING: General Fund, CDBG
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Ongoing
COMMENTS:

PROGRAM: Residential Rehabilitation Rebates
RESPONSIBLE AGENCY: Community Development
FUNDING: CDBG
GOAL (1984-1990): 375 units
ACHIEVED 1984 TO DATE: 204 units
GOAL (1989-1994): 200 units
COMMENTS: Assuming federal funding continues to be
available

PROGRAM: Low Interest Residential Rehabilitation Loans
 RESPONSIBLE AGENCY: Community Development, Los Angeles County
 Community Development Commission
 FUNDING: CDBG, HUD
 GOAL (1984-1990): 20 units
 ACHIEVED 1984 TO DATE: 22 units
 GOAL (1989-1994): 45 units
 COMMENTS: Assuming federal funding continues to be available

PROGRAM: Deferred Residential Rehabilitation Loans
 RESPONSIBLE AGENCY: Community Development
 FUNDING: CDBG
 GOAL (1984-1990): 100 units
 ACHIEVED 1984 TO DATE: 107 units
 GOAL (1989-1994): 85 units
 COMMENTS: Assuming federal funding continues to be available

PROGRAM: Rental Rehabilitation Loans
 RESPONSIBLE AGENCY: Community Development
 FUNDING: CDBG
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: 15 units
 GOAL (1989-1994): 35 units
 COMMENTS: Assuming federal funding continues to be available

4.5 New Construction

PROGRAM: Land Use Element of General Plan
 RESPONSIBLE AGENCY: Community Development Department
 FUNDING: General Fund
 GOAL (1984-1990): Update
 ACHIEVED 1984 TO DATE: Update completed
 GOAL (1989-1994): Ongoing
 COMMENTS:

PROGRAM: Identification of Adequate Sites for Housing
 RESPONSIBLE AGENCY: Community Development Department
 FUNDING: General Fund
 GOAL (1984-1990): n/a
 ACHIEVED 1984 TO DATE: n/a
 GOAL (1989-1994): Maintain existing inventory of residentially zoned land; make provisions to allow for development of housing to meet special housing needs of City residents
 COMMENTS:

PROGRAM: Land Writedown and Acquisition Program
RESPONSIBLE AGENCY: Community Development Department,
Redevelopment Agency
FUNDING: General Fund, Redevelopment housing fund
GOAL (1984-1990): 100 units
ACHIEVED 1984 TO DATE: 15 units
GOAL (1989-1994): 100 units

COMMENTS:
PROGRAM: Acquisition and Replacement
RESPONSIBLE AGENCY: Community Development Department,
Redevelopment Agency
FUNDING: General Fund, Redevelopment housing fund,
CDBG
GOAL (1984-1990): 25 units
ACHIEVED 1984 TO DATE: 15 units
GOAL (1989-1994): 20 units
COMMENTS: Assuming federal funding continues to be
available

PROGRAM: Zoning Ordinance - Revision of Density Bonus
Provisions
RESPONSIBLE AGENCY: Community Development Department
FUNDING: General Fund
GOAL (1984-1990): n/a
ACHIEVED 1984 TO DATE: n/a
GOAL (1989-1994): Continue
COMMENTS:

- 4.1 POLICY: Ensure that housing is provided in Alhambra that is accessible to all City residents regardless of handicap, race, economic status, age, marital status or size of household by encouraging participation in and expansion of existing housing programs.
- 4.1.1 OBJECTIVE: Improve 20 units by 1994 to make access by handicapped and elderly persons easier:
- ° Enforce the provisions of the Uniform Building Code to ensure accessibility of all new and substantially remodelled housing developments to disabled people. This program will also benefit senior citizens.
 - ° Improve neighborhood pedestrian facilities to ensure easy access by handicapped and elderly residents by continuing the Neighborhood Public Improvement Program involving the installation or construction of curbs, gutters, sidewalks, paving, curb cuts, park rehabilitation, CBD improvements, etc.
- 4.2 POLICY: Provide that displacement of low income households is avoided and, where necessary, is carried out in an equitable manner.
- ° Continue implementation of the City's Anti-Displacement Policy as expressed in the Redevelopment Plan.
 - ° Continue to enforce existing Relocation Requirements on Private Sector Development. Regulation of private sector replacement of housing units includes requirements for notification of tenants, moving expenses, etc.
 - ° Continue the Fair Housing Counseling Program to provide landlord-tenant and fair housing counseling. The City contracts with the Fair Housing Council of the San Gabriel Valley to provide this on-going service.
- 4.3 POLICY: Ensure an adequate supply of a variety of housing types in Alhambra to meet the needs of all economic segments of the community.
- 4.3.1 OBJECTIVE: Provide assistance to 350 households to meet special housing needs and make housing affordable to low and moderate income and elderly households.
- * - new program
° - existing program

- ° Continue the Density Bonus Program whereby developers are allowed a 25% density bonus for making affordable at least 25% of the total number of units in the project for low and moderate income households. 23 affordable housing units have been made available through this program between 1984 and 1989. The objective for the next 5 years is to add 100 affordable units in this way.
- * Modify the Density Bonus Program to allow an additional density bonus of 25% for providing at least 25% of the total number of units in a project for very low income households. The objective for the next 5 years is to add 20 affordable units in this way.
- ° Continue the Section 8 Rental Assistance program for new and existing units. The Section 8 Rental Subsidy Program provides for the payment of rental subsidies on behalf of eligible individuals and/or families leasing privately owned and existing dwelling units within the City. Section 8 makes up the difference between up to 30 percent of an eligible household's income and the market rent for their unit. In 1988, 422 households were participating in the program in Alhambra. If federal funding continues at current levels, an additional 85 households may be added to the program by 1994.
- ° Continue use of Section 202 in conjunction with Section 8 programs to provide housing units for senior citizens. This program, in conjunction with private developers, facilitates the construction of housing units suitable for elderly residents through flexible development standards. 95 units for seniors have been developed through the program to date. The objective for the next five years is to build an additional 75 units either with the 202 program or a similar federal program.
- * Adopt special density bonuses to allow densities of up to 4 times the highest residential density to facilitate Section 202 projects.
- ° Continue to make available the Affordable Housing Incentives Program to facilitate development of affordable units by the private sector. Incentives include land acquisition by public agencies, land value write-downs, flexible land use controls and development standards. The objective for this program over the next five years is 50 units.

- * - new program
- ° - existing program

- ° Continue implementation of the City's Manufactured Housing Policy. This policy allows manufactured housing to be constructed on residentially-zoned lots if they are on fixed foundations and otherwise meet all other design and zoning requirements. Since the institution of this policy, there have been 6 single lot infill uses of manufactured housing in the City.
- * Development of Planned Unit Development (PUD) standards. Such flexible PUD standards will facilitate the development of larger multi-family projects. This flexibility can be used by the City to encourage the construction of affordable housing while still allowing the developer to realize a profit.

4.4 POLICY: Ensure the preservation of architecturally and/or historically significant residential structures where feasible.

- ° Identify historic structures in Alhambra worthy of preservation and investigate, with public participation, their potential for historic designation. A survey of over 600 historic structures in two neighborhoods was completed in 1985.
- * Continue the survey of historic buildings in additional neighborhoods in the next five years.
- * Adopt a historic preservation ordinance to establish guidelines for the preservation and protection of historic resources.
- ° Continue utilization of tax exempt financing through programs such as SB-99 and Marks Historical Financing.

4.5 POLICY: Provide for the rehabilitation of existing housing in areas designated for the preservation of existing neighborhood character and density.

4.5.1 OBJECTIVE: Rehabilitate 350 units by 1994.

- ° Continue enforcement of property maintenance regulations. The Alhambra Municipal Code declares that inadequately maintained property is a public nuisance. Identification of units not meeting City maintenance regulations can lead to rehabilitation of housing units.
- ° Continue enforcement of the housing Code to ensure that code violators are identified. The City can then provide counseling to homeowners of sources for rehabilitation assistance.

- * - new program
- ° - existing program

- ° Continue to utilize the CDBG funded Housing Rehabilitation Rebate program to encourage rehabilitation of existing structures. This program provides rebates to homeowners from 40% to 100% of the rehabilitation improvements between \$200 and \$1000. Through this program 204 units have been rehabilitated between 1984 and 1988. The objective for this program for the next 5 years is to rehabilitate 200 units.
- ° Continue the CDBG funded Low Interest Loans to Homeowners Program to encourage rehabilitation. Through this program, loans are made available to homeowners for rehabilitation at a rate of 6%. Loans may be issued for a maximum of \$15,000 and a maximum term of 15 years. The City has one full-time staff person assigned to this and other rehabilitation programs. 22 loans were issued through this program between 1984 and 1988, and the objective for the next 5 years is 20 loans.
- * Investigate the expansion of the Residential Rehabilitation Loan program through the County Community Development Commission to allow all City residents to participate regardless of income levels. A sliding scale would be established which would the interest rate on a loan to the income level applicant. Higher income households would pay interest rates. The objective for this program over the next 5 years is 25 loans.
- ° Continue the CDBG funded deferred loan program to encourage rehabilitation. Through this program, loans are made available up to \$15,000 but payment is deferred until the improved property changes ownership. Through this program, 107 deferred loans were issued between 1984 and 1988, and the objective for the next 5 years is 85 loans.
- ° Continue the CDBG funded Rental Rehabilitation Loan Program to encourage rehabilitation of rental units. Through this program, loans are made available to owners of multi-family residential rental units with the stipulation that post-rehabilitation rents fall within the rent ceilings of the Section 8 rental assistance program. 15 rental units were rehabilitated through this program between 1984 and 1988, and the objective for the next 5 years is to rehabilitate 20 units.

- * - new program
- ° - existing program

4.6 POLICY: Encourage the development and construction of a variety of types of housing for all economic levels of the population.

4.6.1 OBJECTIVE: Construct and/or make available land for the construction of 1,250 new housing units.

- ° Implement the General Plan by evaluating the consistency between directed residential land use intensification and the Zoning Ordinance.
- ° Encourage the construction of a mix of units for both single person households and families through the density bonus provisions of the Zoning Ordinance.
- ° Construct affordable units with the Redevelopment Agency housing fund.
- ° Maintain the current inventory of residentially zoned land.
- ° Locate residential uses in reasonable proximity to employment centers to provide convenient access.

4.6.2 OBJECTIVE: Identify adequate sites for the development of affordable housing and transitional housing.

- ° Utilize the following criteria for identifying and evaluating potential sites for affordable housing and transitional housing:
 - located with convenient access to public transportation, schools, recreational facilities, shopping areas and employment opportunities;
 - adequately served by public facilities, services and utilities;
 - minimally impacted by noise and blighted conditions;
 - compatible with surrounding existing and planned uses.
- ° Ensure that any adverse impacts resulting from the provision of affordable or transitional housing are minimized.
- ° Investigate the use of R-3 zoned property in the vicinity of major commercial streets for the development of affordable housing and transitional housing.

* - new program

° - existing program

- ° Examine the feasibility of mixed-use residential/commercial projects along major arterial streets.

4.7 POLICY: Monitor housing programs to ensure that City housing goals are met.

- ° The City shall prepare an Annual Review Statement, as per Section 65588 of the Government Code, to evaluate the progress made in implementing housing element policies and programs and in meeting the City's housing goals.
- ° The City shall continue to seek Community Development Block Grant funding (CDBG) and prepare a subsequent annual report to be submitted to the federal department of Housing and Urban Development.
- ° The City shall annually review the Housing Assistance Plan to evaluate achievement of housing goals.
- ° The City shall periodically evaluate housing programs to determine their status in meeting housing goals in terms of program effort, effectiveness, and efficiency.
- ° The City shall assign one staff member to oversee all monitoring activities and to pursue new funding sources and programs which have the potential to assist in meeting City housing goals.
- ° The entire Housing Element shall be revised in 1994 as required by State Law.

5.0 LAND INVENTORY

Alhambra has a relatively small amount of vacant land for new residential development. Recent surveys show that there are approximately 36 acres of vacant land suitable for residential development. This acreage is already served by the appropriate public services and infrastructure. An additional undetermined amount of commercially developed land may be designated for future residential development under the proposed Valley Boulevard Specific Plan.

It is estimated that the vacant acreage will lead to the creation of approximately 500 new residential units by the year 2004. This acreage is already served by the appropriate public services and infrastructure. The City's zoning regulations generally provide an accurate prediction of the actual number of

- * - new program
- ° - existing program

units that can be developed on a given parcel. Present zoning conditions allow for an additional 6,400 dwelling units and an ultimate population of 82,300 by the year 2004.

As a result of the relatively small inventory of vacant residential land, the ability to create additional housing in this manner is limited. Developers of housing in the City have generally looked to underutilized residential lots with multiple family zoning for development of new, higher density projects. The City estimates that there are approximately 250 acres of such land which could be suitable for infill development, which could yield approximately 5,900 units by the year 2004. Given the above facts, it can be concluded that sufficient development opportunities exist within the city.

The Background Report of the General Plan discusses four alternative concept plans for the City's future development. These alternatives were developed when the General Plan revision began in 1984. The completed General Plan was based primarily on Concept C, which emphasized maintenance of residential areas, with some expansion of commercial uses along major streets.

6.0 BACKGROUND INFORMATION AND ANALYSIS

A successful strategy for improving housing conditions must be preceded by an assessment of the housing needs of the community and region. This section discusses the components of housing need - that is, the trends in the City's population, households, and employment base and the type of housing available.

The analysis which follows is broken down into four major subsections. Section 6.1, Population Characteristics, analyzes the City of Alhambra in terms of demographic characteristics and attempts to identify any population trends that may affect future housing needs. Section 6.2, Household Characteristics, analyzes Alhambra in terms of households, or living groups, to see how past and expected household changes will effect housing needs. Section 6.3, Employment, contains information on occupations and employment sources of Alhambra residents as this directly affects the need for and location of housing. Section 6.4, Housing Stock, analyzes the housing units in Alhambra in terms of availability, affordability, and condition to identify programs which are needed to ensure that the existing and future housing stock meets the housing needs of every segment of the City's population. Analysis in each of these subsections in conjunction with the General Plan Background Report (Appendix A) provides a data base upon which decisions concerning programs and policies for the provision of adequate housing in the City can be founded.

6.1 Population Characteristics

The State Department of Finance identified the January 1987 population in Alhambra as 73,123 and the January 1988 population as 73,671. This increase, compared with 1980 population figures results in a 1980-88 growth rate of 14.0%. Growth in the City is expected to continue within the next 5 years at a rate of approximately 5.8 percent. This will result in a 1994 population of approximately 79,158.

The age characteristics of Alhambra's population changed slightly between 1980 and 1988. The most notable change was the increase in the percentage of the population between ages 30 and 49, and those over 65. This increase in the age of the population between 30 and 49 has implications for a need for housing for families with children and is evident in the number of requests for units with three and more bedrooms.

The racial and ethnic characteristics of Alhambra also changed between 1980 and 1988, the most notable change being the continuing increase in the percentage of persons declaring themselves Asian/Pacific Islanders.

Population growth over the next five years is expected to be accommodated through infill development on the few remaining vacant parcels, through intensification of existing residential densities and through a continuation of trends towards larger average household size and overcrowding. Table 2 summarizes anticipated population growth in 5 year increments through the year 2004. Each 5-year increment shows the projected population growth at the end of the increment.

6.2 Household Characteristics

Although the characteristics of individual members of the population are important for an understanding of growth and change in the City, the more useful unit for analysis is the household. The Bureau of the Census considers all people living in a dwelling unit as a household, whether or not they are related. A single person renting an apartment as well as a family living in its own house are both considered households. People who live in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

There were 1,397 people living in group quarters in Alhambra in 1988. Although the Census showed an increase in the percentage of single person households and a decrease in the percentage of family households, Alhambra is predominantly a family-oriented community. As of January, 1988, the State Department of Finance estimated that there were 27,835 households in Alhambra. In 1980, there were 16,274 family households (62.7% of the total

TABLE 2
POPULATION PROJECTIONS

Period	Population Total	Population Increase	Growth Rate	Household Formations	Household Size	New Construction Need
1985-89	74,800	+3,500	5.0%	1,346	2.6	269 units/yr
1990-94	79,158	+4,358	5.8%	1,614	2.7	323 units/yr
1995-99	81,393	+2,235	2.8%	894	2.5	179 units/yr
2000-04	82,300	+907	1.1%	370	2.45	74 units/yr

- Assumes:
- (1) average household size will continue to increase but then decrease slightly as single person households and elderly households increase as a proportion to total population.
 - (2) growth will slow after 1994 as the City approaches build out status.
 - (3) vacancy rates are assumed to be below 5%.

households) in the City. This is a noteworthy decrease from 1970 when family households comprised 68.6% of the total households in the City and indicates a need for smaller housing units oriented toward renters.

Table 3 shows households with special needs. 26.8 percent of the households in Alhambra are assumed to be headed by an elderly person. This is a substantial increase over the 16.9% figure in 1970 and a slight increase over the 23.8 % figure from the 1980 Census. Many of these seniors also live alone. This group is more likely to need assistance with home maintenance problems, as was discussed above. In 1980, 6.4 percent of the units in Alhambra reported having at least one handicapped person. This figure includes age-related disabilities as well as other disabilities. Not all of these handicapped households will require modification to their homes, however. The number of elderly and handicapped households in the City is reflective of a potential problem in home maintenance and a need for housing units accessible to the handicapped.

At the other end of the spectrum are the large families who are living in overcrowded conditions due to the lack of availability of sufficient larger units. In 1980, 10.5 percent of the households in Alhambra reported having five or more members (the federal definition of a large family), and 7.9 percent of the households were overcrowded (that is, had 1.01 or more persons per room). As shown on Table 3, the percentage of overcrowded households rose dramatically between 1970 and 1980. This indicates a need for larger dwelling units.

Other households with special needs include minority-headed households which make up over 40% of Alhambra's total households. Minority-headed households are considered special needs households because many times blatant or indirect discrimination limits their access to suitable housing. Female-headed households, which make up 11.6% of Alhambra's households, are considered special needs households because many times female heads are less skilled than their male counterparts and are often constrained from full-time employment by children. The number and percentage of female-headed households has remained essentially the same since 1970.

A housing issue that has become increasingly prevalent in the last few years is the need for sheltering the homeless. According to 1989 Police Department estimates, there were 22 homeless persons in the City. All of these persons were unrelated individuals.

Emergency shelter facilities exist within the City to accommodate those without shelter. A total of 30 beds are available through a variety of sources. Many local churches provide emergency shelter on an as-needed basis and the Police

Department has a shelter referral and food assistance program. In addition, the Fair Housing Council of the San Gabriel Valley, with which the City has a contract for services, also provides shelter referrals.

The major factor which constrains the ability of households to obtain adequate housing is income. The City as a whole had a median household income of \$26,323 which is 7% below the regional median income of \$28,375. The City's median is also below that of the nearby cities of South Pasadena and Monterey Park and above the median of Rosemead. Alhambra's median income, however, is in line with the median incomes of nearby Pasadena, San Gabriel, and Los Angeles.

The 1980 Census information also contains calculations of the poverty status of families and individuals not living in families. The income which was defined as the 'poverty threshold' is a national standard, not reflective of local or regional variations in the cost of living. These calculations consider only income and do not include the value of possessions (house, stock, etc.). The definition does include variations for family size and the age of the head of the household.

Since the cost of living in Southern California is higher than the nation as a whole, and considering the adjustments for family size and age, the Census count of persons below the poverty level is a stricter definition than that used in most planning and program eligibility work. With that in mind, Table 4 shows that minorities and female-headed households are over-represented among the poor. For example, although Asian/Pacific Islanders represented only 12.5 percent of the population in 1980, they represented 18.4 percent of the persons living below the poverty level. Likewise, Hispanics represented 37.6 percent of the population but 49.1 percent of the persons living below the poverty level. To some extent, this may be a result of the fact that many of the City's Hispanic and Asian residents are recent immigrants to this country who have not yet gained the language, social, and work skills necessary for success. With time, they can be expected to improve their skills but they may require special assistance to do so. As a result, there will be a longer term need for housing affordable to these very low income minorities, and for fair housing counseling.

Female-headed households are also over-represented among the poor. Table 5 shows that while only 11.5 percent of the total households in the City are below the poverty level, 21.4 percent of the total female-headed households are below that level. A more significant fact is that 32.0% of the female-headed households with children are below the poverty level. This is partially a result of the fact that women continue to earn on the average less than what men earn despite equal pay legislation. The number of female-headed households has implications in needs for child care, fair housing programs and other social services.

Housing assistance is only required when a household is paying more than it can afford for housing. This will depend on the spending characteristics of the household. However, the standard used by the Federal Department of Housing and Urban Development (HUD) and most state and local programs, is that a low or moderate income household should not pay more than 30 percent of its gross monthly income for housing. Typically, overpayment by owners is not considered as serious as overpayment by renters. Homeowners will eventually get a return on their investment and additionally, always have the option of selling to relieve the burden. Renters do not have the same benefits or options. Table 6 shows the number of households who are paying various percentages of their income for housing by income group. In 1980, 7,014 households were paying more than the standard for affordability. 1,356 (14.9%) of these were owners. These households are more likely to need some form of housing assistance to locate and occupy affordable housing in good condition. Although more recent figures are unavailable, it is likely that the percentage of households paying more than the affordability standard for housing has increased.

6.3 Employment and Jobs/Housing Balance

One of the factors that can contribute to an increase in the demand for housing in an area is an expansion of either the local or regional employment base. Most households prefer to live as near to their members' places of employment as possible.

The 1980 U.S. Census showed a total labor force living in the City of 32,171. Over 60% of this labor force work in managerial/professional and technical, sales and administrative support careers. Alhambra has a 4.2% unemployment rate which is well below the 6.0% County rate. The Southern California Association of Governments projects an increase of 1,075 jobs by 1990. This is a 3.8 percent increase over the 1984 level.

An analysis of commuting patterns shows that over one-third of Alhambra's labor force works in the City of Los Angeles. Although some residents are employed within the City, Alhambra serves primarily as a residential community for persons working in other parts of the region.

Jobs/housing balance is a concept where a regional balance is achieved if the number of housing units is only slightly lower than the employment opportunities so that most of the people living in the area can also work in the area. The benefits of such a jobs/housing balance include less traffic congestion, fewer vehicle emissions with resulting clean air benefits, decreased commute times and reduced need for major capital expenditures for the development of mass transit facilities.

TABLE 3

ALHAMBRA HOUSEHOLDS WITH SPECIAL NEEDS - 1970 to 1988

HOUSEHOLD TYPE	1970		1980		1988	
	NO.	%*	NO.	%*	NO.	%*
Elderly (65+)	4,239	16.9	6,189	23.8	7,447#	26.8
Handicapped						
With a Disability	-	-	1,655	6.4	1,781#	6.4
Not in Labor Force	-	-	1,001	3.9	1,086#	3.9
Prevented from Working	-	-	824	3.2	891#	3.2
Large Families (5 or more Members)	2,731	10.9	2,731	10.5	2,923#	10.5
Overcrowded (1.01 or more persons per room)	945	3.8	2,068	7.9	2,199#	7.9
Minority	N/A	N/A	10,469	40.2	11,190#	40.2
Female-Head	3,022	12.0	3,022	11.6	3,229#	11.6
Homeless	N/A	N/A	N/A	N/A	22#	0.08
TOTAL HOUSEHOLDS	25,129		25,962		27,835	

* Percentages will not total because households may have one or more special needs.

Estimated

Source: 1980 U.S. Census, 1970 U.S. Census, City Estimates

TABLE 4

POVERTY STATUS BY RACE/ETHNICITY - 1980

RACE/ETHNICITY	PERSONS BELOW POVERTY LEVEL	% TOTAL POVERTY	POPULATION	% OF ETHNIC GROUP
American Indian	42	.6	347	12.1
Asian	1,369	18.4	8,046	17.0
Black	61	.8	674	9.0
White	4,802	64.4	46,197	10.4
Other	1,178	15.8	9,351	12.6
Total	7,452	100.0	64,615	N/A
Hispanic	3,658	49.1	24,287	15.1

Source: 1980 U.S. Census

Notes: Persons of Hispanic origin are distributed across several racial groups as well as shown separately due to the way the census collected the information. The poverty level is a national measure applied by the Census.

TABLE 5

POVERTY STATUS BY HOUSEHOLD TYPE - 1980

HOUSEHOLD TYPE	BELOW	POVERTY %	LEVEL ABOVE	%
Elderly (65+)	130	2.1	6,059	97.9
Families	1,460	8.2	16,352	91.8
Children Under 18	1,070	12.1	7,757	87.9
Female - head	652	17.7	3,042	82.3
With Children	551	24.2	1,723	75.8
Without Children	101	7.1	1,319	92.9
Total Households in Poverty	3,349*	13.0	22,343	87.0

Source: 1980 U.S. Census

Note: The poverty level is a national measure applied by the Census. Columns do not sum to total households because some households are included in more than one category.

*Estimation based on Census data

TABLE 6

HOUSING EXPENDITURES AS A PERCENTAGE OF INCOME - 1980

INCOME/COST	RENTER		OWNER	
	#	%	#	%
Very Low Income (Less than \$8,775)				
Spent less than 30%	447	10.8	839	59.9
Spent more than 30%	3,678	89.2	561	40.1
Low Income (\$8,775 - \$14,041)				
Spent less than 30%	1,572	50.3	938	75
Spent more than 30%	1,556	49.7	303	2
Moderate Income (\$14,041 - \$21,061)				
Spent less than 30%	2,671	87.7	1,494	83.8
Spent more than 30%	374	12.3	289	16.2
Upper Income (\$21,061 or more)				
Spent less than 30%	3,593	98.6	4,498	95.7
Spent more than 30%	50	1.4	203	4.3
Total				
Spent less than 30%	8,283	59.4	7,769	85.1
Spent more than 30%	5,658	40.6	1,356	14.9

Source: 1980 U.S. Census

Note: The columns do not sum to the total number of households because those who paid no cash rent are not included.

A balanced region is technically defined as a region where the ratio of jobs to housing is 1.27 (1.27 jobs for every housing unit) in 1984 and 1.20 in the year 2010. Job rich regions refer to those that have jobs/housing ratios substantially greater than that for the surrounding region. The SCAG Draft Growth Management Plan shows Alhambra to be located in one of the more housing-rich areas of the SCAG region. Alhambra is expected to remain housing-rich in the near future as the existing jobs/housing ratio of 1.10 is expected to increase slightly, to 1.15 in the year 2010.

6.4 Housing Stock

In order to determine the extent of housing need in the City of Alhambra, the analysis must include not only population, household, and employment characteristics, but also the type, condition, and availability of housing. Housing need is defined as the difference between the type of housing required by the City's existing and projected population and the type of housing currently available. The size, price, and condition of existing units are the major factors in determining suitability. In recent years there has been an increase in the number and percent of multi-family units. This is in part a response to changing lifestyles and living arrangements and is consistent with trends throughout the region. Alhambra, however, is still predominantly a community of single-family detached homes. Table 7 shows the distribution of unit types and tenure throughout the City.

The availability of vacant units of a suitable size and cost is an important factor in ensuring that residents are not overcrowded or forced to move to another community. The Department of Finance estimated that there were 29,195 housing units in Alhambra in January, 1988. The City's 1988 Housing Assistance Plan found an overall vacancy rate in Alhambra of 3.6 percent or about 1,064 vacant units. This is in contrast to the 4.5 percent vacancy rate found in the 1980 Census. Typically, a vacancy rate between 3.0 and 5.0 percent is considered normal. A high vacancy rate discourages the construction of new housing units.

About $\frac{1}{2}$ of the housing units in the City were built before 1950 making them 30 or more years old, the age at which housing is typically expected to require major repair. Based upon 1980 Census data, and Alhambra's 1988 Housing Assistance Plan, approximately 1,349 housing units in the City (4.5 percent of the total) need repair or replacement. Of these, 701 (52%) are occupied by lower income households and 747 (55%) are renter-occupied. These households or their landlords may require assistance to make the necessary repairs. If the impetus to higher densities continues, they will be removed by the natural operation of the real estate market. However, this will result in displacement of current residents. Since substandard units are less expensive than units in good condition, they are likely

to be occupied by lower income households. Therefore, when these units are replaced there will be a need for low cost housing for these displaced households.

In addition, some of these units are in poor condition due to the fact that their owners are elderly people who have owned them for quite some time. Although they may have substantial equity in their homes, they do not have the income to afford the necessary repairs. They will need assistance to make repairs, perhaps in the form of deferred loans. Table 9 shows housing values and rents in Alhambra in relation to other cities in the region. The median value of owner-occupied units in Alhambra was lower than that for surrounding cities (except Rosemead). Median rents in Alhambra, however, were higher than surrounding cities (except Rosemead).

As an indication of the affordability of Alhambra's housing, the 1988 median income can be compared with the 1988 median home value. Using the federal Department of Housing and Urban Development Standard that a household can afford to purchase a unit worth up to three times its gross annual income, in 1988, a household earning the median income for the City (\$26,323) could have afforded a house priced at \$78,969. This is far below the estimated 1988 City dwelling unit value of \$192,000 and even below the 1980 median dwelling unit value of \$85,300. Thus, housing prices continue to be well beyond the means of the average buyer. Table 9 shows the breakdown of owner-occupied housing unit values by number of bedrooms and affordability to different income groups. Most housing units in the City are priced above the level of affordability for low and moderate income households. This has implications for a need for the development of more affordable housing within the City.

The escalating price of single-family homes and condominiums has resulted in an increasing percentage of renters. This trend is not limited to the City alone and is in evidence throughout the southern California region. Those who are unable to afford home ownership are forced to rent. Many of these persons may never be able to afford home ownership at current prices, given the difficulty in saving the minimum down payment, prevailing interest rates and monthly mortgage payments.

Over half of the households in Alhambra rent their dwelling units. Table 8 shows that rents in the City in March and April 1989 ranged from \$400 to \$1,100. Using the guideline that households should not spend more than 30 percent of their income on housing, 1988 median income households in the City could afford to pay \$658 per month. The range of rents available in the City can accommodate these median income households as well as most low income households. Very low income households, however, cannot afford the rents now being charged in Alhambra. There is also a lack of available rental units with three or more bedrooms needed to accommodate the increasing size of families in the City.

TABLE 7
UNIT TYPE AND TENURE - 1988
ALHAMBRA

UNIT TYPE	TOTAL	PERCENTAGE
Single-Family Detached and Attached	13,946	47.7
Duplex	1,523	5.1
3-4 Units	2,709	9.3
5+ Units	11,004	37.7
Mobile Homes	13	.1
TOTAL	29,195	100.0
Owner Occupied	11,822	40.4
Renter Occupied	16,309	55.9
Vacant	1,064	3.6

Sources: Alhambra Building Division
State Department of Finance

TABLE 8
HOUSING COSTS - 1980 and 1988

JURISDICTION	MEDIAN VALUE		MEDIAN RENT	
	1988*	1980	1988	1980
Alhambra	\$192,000	\$85,300	N/A	\$252
San Gabriel	\$193,000	\$86,100	N/A	\$250
Rosemead	\$159,000	\$70,000	N/A	\$234
Los Angeles	N/A	\$96,100	N/A	\$229
Monterey Park	\$210,000	\$96,500	N/A	\$266
Los Angeles County	\$195,000	\$88,000	N/A	\$245

* Estimated

Sources: 1980 U.S. Census, West San Gabriel Valley Board of Realtors

Note: 1980 values reflect the estimate of the value of owner-occupied, non-condominium units given by owners in response to the 1980 Census. 1988 values based on recent sales. 1988 rental information not available.

6.5 SUMMARY OF HOUSING NEED

Assuring the availability of adequate housing for all social and economic segments of Alhambra's present and future population is a primary goal of the City. To implement this policy the City must target its programs and monetary assistance toward those households with the greatest need. This is a summary of the major housing need categories in terms of income groups as defined by Federal and state law. It includes the City's share of regional housing need as contained in the Regional Housing Needs Assessment (RHNA) prepared by SCAG pursuant to Section 65584 of the Government Code. The City recognizes the special status of very low and lower income households who in many cases are also elderly, minority or single-parent households. City housing programs focus on these households. In the immediate future, the groups most in need of housing assistance in Alhambra are expected to be:

- (1) the increasing number of large families with young children;
- (2) immigrants from Mexico, Central America and the Orient who may live in overcrowded and occasionally substandard conditions until they develop the social, language and job skills to adopt a better lifestyle;
- (3) those female-headed households with children whose reduced income makes it difficult for them to maintain or even afford their homes; and
- (4) low and moderate income households, especially those entering the housing market for the first time.

Tables 11 and 12 show the number of households with special needs. Many housing need categories overlap and so are difficult to quantify individually. The primary need, even among special needs households, is for affordable housing. In 1980, 7,014 (30.4%) households were paying more than 30 percent of their income for housing. The City can reasonably be expected to meet 17.5% of this existing need within the next 5 years. This means that housing programs must develop 1,227 affordable and accessible units by 1994. It is expected that needs created by substandard units can also be met through programs designed to develop affordable units.

In addition, the City must meet all new housing needs expected to occur by 1994. The 1994 growth by income level, as shown on Table 11, was established by projecting past household trends to estimate total 1994 households (29,933) and subtracting from that the State Department of Finance estimate of 1988 households (27,835) to get a difference of 2,098 households. This represents the growth expected to occur in Alhambra by 1994. The RHNA also estimates the portion of the household growth

TABLE 9
VALUE OF OWNER-OCCUPIED HOUSING UNITS - 1980

ALHAMBRA

Value of Unit	Bedrooms			
	1	2	3 -4	5+
Very Low Income (less than \$26,325)	16	68	54	0
Low Income (\$26,325 - \$42,123)	59	219	118	0
Moderate Income (\$42,123 - \$63,183)	153	806	390	0
Upper Income (over \$63,183)	342	1,989	3,963	14

Source: 1980 U.S. Census

* Note: Value categories are based on the federal HUD standard that a household can afford a housing unit worth up to three times its gross annual income. This standard was applied to the 4 ranges of household income found on Table 6 (very low, low, moderate and upper).

TABLE 10
RENTS BY UNIT TYPE

ALHAMBRA

UNIT TYPE	SAMPLE	MEDIAN	AVERAGE	RANGE
1 Bedroom	38	\$450	\$491	\$400-\$541
2 Bedroom	33	\$595	\$635	\$540-\$781
3 Bedroom	12	750	838	\$700-\$925
4+ Bedroom	4	900	960	\$870-\$1111

Source: Alhambra Post Advocate - March 23, April 6, April 20, 1989
Pasadena Star News - April 12, April 26, 1989

which is expected to occur in the January 1988 to July 1989 "gap" period between the preparation of the RHNA and the beginning of the Housing Element planning period. The "gap" figure for Alhambra is 484 households, which reduces the household growth to 1,614. In actuality, a total of 450 households were established in this 18-month period. SCAG provides, through the RHNA, a breakdown of the way this growth is expected to occur by income categories. These breakdown percentages were applied to the 1,614 household figure and the results are shown on Table 11. Normal operations of the housing marketplace are expected to meet the housing needs of upper income households, leaving 1,008 very low, low, and moderate income households needing some form of housing assistance.

Based upon analysis of substandard housing, household overpayment for housing, special needs households and expected growth, Alhambra's 1994 housing need can be summarized as follows:

Housing overpayment and special needs households (17.5% of the total need)	1,227
Expected new growth by 1994 - very low, low, and moderate income households	1,008
Total number of households expected to need assistance by 1994	2,235

6.6 Constraints on Housing Production

Although the City of Alhambra recognizes the need for sound, affordable housing for all of its residents, this goal is not easy to achieve. There are physical constraints (such as seismic hazard areas), factors in the operation of the construction industry, and laws and regulations (Subdivision Map Act and the Uniform Building Code) which impact the cost and amount of housing produced, and over which the City has no control. This section discusses all these constraints not already addressed in The General Plan Background Report (Appendix A, Sections III, VI and VII).

No other environmental hazards exist in the City which could potentially constrain the development of housing.

6.6.1 Market Constraints

The cost of all housing rose between 1970 and 1980 as the cost of each component rose. Regional housing demand has led to dramatic increases in housing prices during the past 10 years. The major components of housing costs are: land, labor, materials, financing, overhead, and profit. The cost of each of these will

TABLE 11

EXISTING AND PROJECTED HOUSING NEEDS BY HOUSEHOLD - 1988

Substandard	Owner Occupied	Renter Occupied	Vacant	Total
Suitable for Rehabilitation	551	747	51	1349
Not Suitable	259	280	20	559
Total	810	1027	71	1908
Occupied by Lower Income Households	146	555	(6.4% of total units in city)	

PROJECTED NEED

Housing Need	Total	Very Low	Income Level		
			Low	Moderate	Upper
1994 GROWTH	1614	298	391	319	606
	100.0%	18.5%	24.2%	19.8%	37.5%

Source: 1980 U.S. Census
 SCAG Regional Housing Needs Assessment
 1988 Alhambra Housing Assistance Plan

TABLE 12

HOUSEHOLDS WITH SPECIAL NEEDS

Housing Need	Total	Very Low	Income Level Low	Moderate	Upper
<u>EXISTING NEED</u>					
Overpaying (Estimated)					
Renters	5658	3368	1813	423	54
Owners	1356	551	270	318	217
Total	7014	3919	2083	741	271
Special Needs (Estimated)					
Elderly					
Renters	3416	818	647	715	1236
Owners	4331	1037	820	907	1567
Total	7747	1855	1467	1622	2803
Handicapped					
Renters	996	239	189	208	360
Owners	785	188	149	164	284
Total	1781	427	338	372	644
Large Families					
Renters	1634	391	310	342	591
Owners	1289	309	244	270	466
Total	2923	700	554	612	1057
Overcrowded					
Renters	1229	687	365	130	47
Owners	970	542	288	103	37
Total	2199	1229	653	232	85
Minority					
Renters	6255	1498	1185	1309	2263
Owners	4935	1182	935	1033	1785
Total	11190	2680	2120	2342	4048
Female Head					
Renters	1805	1008	536	191	70
Owners	1424	796	423	150	55
Total	3229	1804	959	341	125
Below Poverty Level					
Renters	N/A	N/A	--	--	--
Owners	N/A	N/A	--	--	--
Total	3591	3591	--	--	--

TABLE 12
HOUSEHOLDS WITH SPECIAL NEEDS
(continued)

Housing Need	Total	Very Low	Income Level		
			Low	Moderate	Upper
Homeless	22	22	--	--	--

Source: 1980 U.S. Census
1988 Alhambra Housing Assistance Plan

Note: Special needs figures cannot be totaled because categories are not exclusive of one another. Figures are projected based upon the City's 1988 Housing Assistance Plan and 1980 Census Data.

vary significantly depending on the location of the development and the type of house being built. Land in some areas costs more per square foot than land in other areas.

Construction costs also vary according to the type of development. Multi-family housing is generally less expensive to construct than single family housing. However, there is a wide variation within each type depending on the size of the unit and the number and quality of the amenities offered. This includes such obvious items as the inclusion of fireplaces, swimming pools and tennis courts, as well as the less obvious decisions on the grade of carpeting and tiles used, types of appliances and light fixtures, and quality of cabinetry and other woodwork.

Table 13 shows the average percentage contribution of each cost factor to the overall cost of constructing a single family house in southern California over the past 10 years. The factor which has most impacted housing costs in recent years is the cost of financing. Developers as well as home buyers have found it difficult to acquire financing even if they could afford the high interest rates. A reduction in interest rates would probably lead to increased development activity throughout the County, including Alhambra. However, the trends appear to be toward rising rates.

Manufactured housing (including both mobile homes and modular housing) is, in most cases, significantly less expensive than conventional construction. However, even within this type of housing there is a wide range of prices depending on the size and finish of the units. In 1984, the average cost per square foot of a manufactured house was \$33, not including land cost. In 1988, Alhambra had 13 mobile homes which was only .1 percent of the total number of units in the City.

The interrelationship of the cost components is very complex and shifts significantly from area to area and development to development. For example, where a developer has owned a piece of land for five or ten years (speculating that it would be valuable in the future) the cost of land per unit would be less than if it had been recently purchased. Finally, the availability of skilled construction crews who will work for less than union wages can reduce costs. The number of factors which must be considered by the developer can be adjusted to make a project pencil out mean that it is difficult to describe an average or typical project.

6.6.2 Governmental Constraints

Alhambra's development standards and processes are generally comparable to those of other cities in the vicinity. The City does require a significant level of public review; all new residential projects must be reviewed by the Planning Commission through a public hearing. While this may result in slight delays in the implementation of a project, the review insures that the project will be compatible with the area in which it is proposed to be located. The average processing time for public hearing items is about 28 to 42 days.

Regarding building codes, Alhambra's regulations differ significantly from those of most cities in one respect in that fire sprinklers are required for all new residential construction. While the installation of such systems adds to initial project costs, much of these expenses can be expected to be recouped as cost savings over time due to reduced fire insurance premiums. The safety provided by such systems greatly outweighs the relatively low installation costs.

Off-site improvements, such as street lights, sidewalks and the like, vary from project to project, but are limited to no more than 10% of the overall project costs. Such improvements are very beneficial to a project, as they allow for improved access, circulation and visibility.

In order to encourage the development of affordable units, the City zoning ordinance contains provisions for density bonuses for such units, as well as up to nine separate variations to development standards, including yard requirements, building height, open space and design standards. In addition, parking requirements are relaxed for qualifying low-income and/or senior units.

Since 1982, City ordinances have permitted the development of manufactured housing in all residential zones. The development of such housing is reviewed under the same criteria as other housing. Current City ordinances are in compliance with recently adopted state law.

6.6.3 Nongovernmental Constraints

Alhambra has a relatively small amount of vacant land for new residential development. City estimates show that there are approximately 36 acres of vacant land suitable for residential development. As a result of this shortage, the ability to create additional housing

TABLE 13
COST COMPONENTS

RESIDENTIAL DEVELOPMENT

1970 - 1980

<u>COMPONENT</u>	<u>1970</u> %	<u>1976</u> %	<u>1980</u> %
Construction			
Labor	20.9	18.6	15.5
Materials	35.1	30.4	27.0
Improved Land	21.0	25.0	27.8
Interim Financing	6.5	8.5	12.0
Overhead & profit	12.0	12.5	5.0
Other	4.5	4.9	5.0
TOTAL	100.0%	100.0%	100.0%

Source: Construction Industry Research Board

Note: Category "OTHER" includes insurance, marketing, etc. Profit and overhead category as a residential estimate remaining after determination of the cost of other components.

is limited. Developers of housing in the City have generally looked to underutilized residential lots with multiple family zoning for development of new, higher density projects.

7.0 PUBLIC PARTICIPATION, UPDATING AND GENERAL PLAN CONFORMANCE

A. PUBLIC PARTICIPATION

The Housing Element of the City of Alhambra for which the basic housing goals, objectives, policies and program were formulated, was prepared as part of a comprehensive General Plan Program. Advisory committees assisted in the formulation of goals and objectives which went into the Housing Element. Committee meetings are open to the public, and public participation is encouraged. In addition, adoption of the Element will require public hearings at both the Planning Commission and City Council.

Public hearings are held annually on the City's participation in the Community Development Block Grant program. The hearings are held by the City's Housing and Community Development Citizen Advisory Committee. The Committee is comprised of a representative cross-section of City residents with a variety of demographic backgrounds. The Committee holds monthly public meetings. Housing needs are a major expenditure in the Block Grant program. The city participates in housing relocation programs through the Redevelopment Agency and has a housing fund set aside which will require public review before appropriations are made.

Notification of City actions are published in the local newspaper in advance of each hearing or meeting. In addition, copies are posted at local community centers and library branches to ensure that adequate notice is given.

The City intends to continue to cooperate with the Los Angeles County Housing Authority in promoting equal housing opportunity for all economic segments of the community.

The City currently contracts with the Fair Housing Council of the San Gabriel Valley for fair housing counseling services, information on fair housing laws, resolution of housing complaints, emergency shelter assistance and referral services on other housing related matters. Fair Housing services are available to all City residents and are publicized throughout the community via periodic public workshops, public notices, newspaper articles and city publications.

B. GENERAL PLAN CONFORMANCE

The Housing Element is one element in the City's comprehensive General Plan update program begun in 1984. Housing issues were an integral part of the Plan development. All Plan policies, particularly land use, circulation and housing, have been developed to be consistent with and to further housing goals. The land use designations of the Land Use Element ensure the availability of land to be developed at achievable densities to meet new housing construction needs.

C. MONITORING

Because of the dynamic nature of local conditions and needs, periodic review and revision of the Housing Element is critical to assure relevance and achievement of its objectives. Staff will monitor all programs on a continuing basis. The entire Housing Element will be revised in 1994, as required by State law.



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